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APR 26 2007

Sherry W. Parker, Clerk, Clark Co.

**STATE OF WASHINGTON
CLARK COUNTY SUPERIOR COURT**

In re:

CHILDREN'S CARE INTERNATIONAL,
Respondent.

NO. **07 2 02111 0**

ASSURANCE OF
DISCONTINUANCE

The State of Washington, by and through its attorneys, Robert M. McKenna, Attorney General, and Shannon E. Smith, Senior Counsel, files this Assurance of Discontinuance pursuant to RCW 19.86.100.

I. INVESTIGATION

1.1 The Attorney General initiated an investigation into the charitable solicitation activities of the Respondent, Children's Care International.

1.2 Children's Care International solicited and accepted charitable contributions from the public for the purpose of providing care to children throughout the world, including the administration and support of orphanages. The solicitation material mentioned "CCI Children's Village" and "CCI orphanages." However, CCI does not operate children's villages or orphanages. Those operations are conducted by a related agency, but not by CCI.

1.3 From 2003 through 2005, Children's Care International did not apply donations it solicited for the purpose of providing care to children. Rather, Children's Care International applied the all of the donated funds to administrative costs associated with starting up a direct mail

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1 fundraising campaign. In 2006, Children's Care International applied some funds to the
2 charitable purpose.

3 **1.4** In the registration materials submitted to the Washington Secretary of State,
4 Children's Care International did not identify a related organization as an "Also Known As."

5 **1.5** The Attorney General deems the following to constitute unfair or deceptive acts or
6 practices and unfair methods of competition in violation of RCW 19.86.020 and RCW 19.09:

7 a) Misrepresenting that the charitable organization's activities regarding charitable
8 purposes, including misrepresenting that it owns or operates children's care facilities or
9 orphanages when it does not.

10 b) Misrepresenting that charitable donations solicited from the public will be applied
11 to a charitable purpose when the donations will be applied solely to administrative costs.

12 c) Failing to identify accurately and completely the charitable organization's "Also
13 Known As" names on the Secretary of State's registration materials.

14 **II. ASSURANCE OF DISCONTINUANCE**

15 **2.1** Respondent will not engage in any practices described in section 1.5.

16 **III. COSTS**

17 **3.1** The Respondent agrees to pay the amount of \$4,000.00 toward the costs and
18 reasonable attorney's fees incurred by the Attorney General in pursuing this matter, which is
19 payable in full upon signing this Assurance of Discontinuance. Payment shall be made by valid
20 cashier's check, paid to the order of "Attorney General—State of Washington." Respondent
21 shall send the signed Assurance of Discontinuance and the cashier's check to the Office of the
22 Attorney General, Attention: Donnelle Brooke, Consumer Protection Division, 800 Fifth
23 Avenue, Suite 2000, Seattle, Washington, 98104-3188.

24 **IV. ADDITIONAL PROVISIONS**

25 **4.1** This Assurance of Discontinuance shall not be considered an admission of
26 violation of the Consumer Protection Act or the Charitable Solicitations Act for any purposes, but

1 failure to comply with this Assurance of Discontinuance shall be *prima facie* evidence of
2 violations of RCW 19.86.020, thereby placing upon the violator, Children's Care International,
3 and its officers, directors, and principals, the burden of defending against imposition by the Court
4 of damages, injunctions, restitution, and civil penalties of up to \$2,000.00 per violation and costs,
5 including reasonable attorney's fees, including the costs and attorney's fees incurred by the
6 Attorney General in the foregoing investigation and in preparing this Assurance of
7 Discontinuance.

8 **4.2** Under no circumstances shall this Assurance of Discontinuance or the name of the
9 State of Washington, the Office of the Attorney General, the Washington Secretary of State, or
10 any of its employees or representatives be used by the Respondent or by its officers, employees,
11 representatives, or agents in conjunction with any business activity of the Respondent.

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APPROVED IN OPEN COURT THIS 26 day of April, 2007.

JUDGE/COURT COMMISSIONER

TERRENCE R. PANCOAST, WSBA # 32621
Counsel for Respondent